

Understanding Sunnyvale's 2002/2003 Adopted Budget

SUNNYVALE'S APPROACH TO BUDGETING

The City of Sunnyvale's unique way of budgeting is part of the City's internationally recognized Planning and Management System. The Sunnyvale budget looks ahead for many years, anticipating income and expenses over a long-term perspective. In addition to a balanced annual budget, City policy requires the city manager to submit a balanced 10-year spending plan. Sunnyvale's budget is proactive in other ways, too. By specifying in measurable terms the outcomes that City programs are to achieve, the budget clearly states community standards and holds staff accountable for achieving them.

EXPENDITURES

Operating Budget

Approximately 80% of the FY 2002/2003 budget will go toward the provision of services that ensure Sunnyvale's citizens and businesses enjoy well-maintained streets, clean parks, first-rate library services and a safe, secure community. The funds for these services are earmarked in a spending plan called the Operating Budget. This plan is revised every year to take into account changes in inflation, changes in conditions in the community, and changes in the amount of services necessary to maintain the City's standards of excellence.

Projects Budget

About 15% of this year's budget will go toward projects. Just as individuals or businesses may set aside money for home repairs or replacement of an aging car, the City plans ahead for long-term maintenance, renovation and repair, improvements and major additions. These efforts are funded through the City's Projects Budget. Through the Projects Budget, the City proactively addresses long-term needs by identifying project costs, future operating costs and any outside funding sources. Thus, the City has already determined how it will pay for many of its long-term renovation and replacement needs. A specific example of a project is the City's effort to construct and operate a new Senior Center on the grounds of the City's Community Center.

Debt

Just as individuals may borrow money for a house or car, the City occasionally borrows funds to go toward major improvements. For instance, the City is currently paying off debt for funds borrowed to improve the City's recycling operations (SMaRT® Station). The debt payments are funded by fees paid by users of the particular service. The City's debt level is low, at about 3% of the total budget.

REVENUES

Sources of Funds

Most of the money that supports City services and projects comes from either fees paid by the users of services or taxes. User fees include payments for water, sewer, garbage and recreation services. Utility services are supported entirely through user fees. User fees are the single largest source of City revenue, making up about 37% of the budget. The majority of City tax revenue comes from sales taxes or property taxes, even though the City only receives about 1 cent of the sales tax and about 13 cents of each dollar of property tax.

About 15% of the City's funds for fiscal year 2002/2003 will come from state revenues, such as the Motor Vehicle License Fee or from grants from other government agencies. The City obtains funds through various other sources, including interest on its investments.

Factors Influencing City Revenues

In recent years, the City's revenues from taxes have been affected by state budget decisions, voter-approved propositions, legislation, utility deregulation, and changing economic factors. For instance, City sales tax receipts are increased when business is booming at retail establishments within the City's borders, but decreased in those cases when Internet retailers do not collect sales taxes.

For More Information

More information about Sunnyvale's FY 2002/2003 adopted budget is available through the Department of Finance link at the City's website (<http://www.ci.sunnyvale.ca.us/adopted-budget2003>).

CITY OF
SUNNYVALE

FY 2002/2003

ADOPTED
BUDGET
SUMMARY



Questions/comments please contact:

City of Sunnyvale
Department of Finance
650 West Olive Avenue
P.O. Box 3707
Sunnyvale, CA 94088

or

call (408) 730-7380

The Adopted FY 2002/2003 Budget and Resource Allocation Plan in its entirety may be viewed online at:

<http://www.ci.sunnyvale.ca.us/adopted-budget2003>

For general information please call (408) 730-7500



Fiscal Year 2002/2003 Adopted Budget Summary

TOTAL ESTIMATED REVENUES

USER FEES (37%)\$ 81,418,271

Garbage Fees	24,283,150
Water Fees.....	18,076,594
Sewer Fees	15,126,396
Recreation Services.....	7,487,943
Franchises	6,591,253
Rents and Concessions	3,649,278
Permits and Licenses.....	3,492,305
Other Fees and Services.....	2,004,436
Fines and Forfeitures	706,916

TAXES (32%)\$ 68,939,010

Sales Tax	27,418,302
Property Taxes	24,004,033
Hotel and Motel Tax	6,904,275
Utility Users Tax	6,019,940
Gas Tax.....	2,563,123
Other Taxes	2,029,337

INTERGOVERNMENTAL (15%)\$ 33,341,750

SMaRT Station® Operations	11,385,674
State Shared Revenues	9,130,545
Workplace Improvement Act Grant	5,344,111
Federal Grants	2,040,503
Other Agencies’ Contributions.....	2,002,697
Community Development Block Grant.....	1,364,000
Santa Clara County Measure B	997,040
HOME Program Grant.....	617,000
State Traffic Congestion Relief Program.....	460,180

OTHER (5%)\$ 11,637,411

Interest Earnings	8,281,484
Other Revenues.....	2,592,825
SMaRT Station	763,102

RESERVES (11%)\$ 23,053,989

TOTAL ESTIMATED REVENUES\$ 218,390,431

(Excludes Internal Service Fund charges)

TOTAL APPROPRIATIONS

OPERATING BUDGET (80%):

CITY MANAGER’S OFFICE\$ 3,668,524

CITY ATTORNEY’S OFFICE\$ 1,279,105

CITY COUNCIL\$ 312,846

COMMUNITY DEVELOPMENT\$ 6,015,119

Development Services	3,256,388
Community Planning	741,922
Economic Prosperity	724,108
Housing and Human Services.....	671,290
Neighborhood Preservation	621,411

EMPLOYMENT DEVELOPMENT\$ 10,577,869

FINANCE\$ 6,503,259

HUMAN RESOURCES\$ 1,518,091

LIBRARY\$ 6,343,979

PARKS AND RECREATION\$ 17,220,702

Recreation	10,267,683
Parks and Open Space Management.....	5,613,086
Baylands Park.....	768,196
Administrative Services.....	571,737

PUBLIC SAFETY\$ 47,865,526

Police Services	21,523,011
Fire Services	16,253,010
Technical Services.....	9,011,636
Animal Control	703,175
Emergency Preparedness	374,694

PUBLIC WORKS\$ 73,717,851

Refuse Collection and Disposal	25,848,306
Water Supply & Distribution.....	14,494,945
Wastewater Management.....	10,971,216
SMaRT Station Operations	10,354,891
Right-of-Way Services.....	4,533,600
Pavement Operations	3,638,713
Transportation Operations	2,321,232
Engineering Services	853,381
Support Services	512,790
Street Landscaping and Tree Services	188,777

CAPITAL PROJECT OPERATING COSTS\$ 1,859

TOTAL OPERATING BUDGET.....\$ 175,024,730

(Excludes Internal Service Fund expenses)

PROJECTS BUDGET (15%)\$ 33,442,674

Capital/Infrastructure Projects	24,145,050
Special Projects	7,432,944
Community Development Block Grant.....	983,383
Project Administration	784,119
Outside Group Funding	97,178

EQUIPMENT (<1%)\$ 300,000

DEBT (3%)\$ 6,978,839

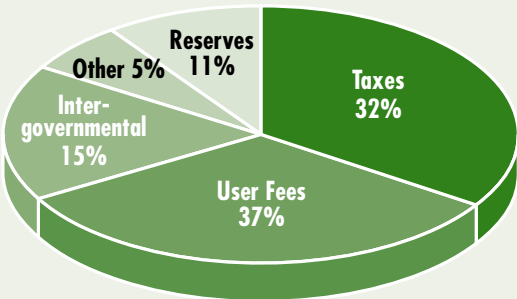
OTHER EXPENDITURES (1%)\$ 2,644,188

Public Facilities (City) Space Issues.....	1,239,674
Fiscal Uncertainties	889,514
Paramedic Services Set-Aside	515,000

**TOTAL ADOPTED FISCAL YEAR
2002/2003 BUDGET\$ 218,390,431**

SUNNYVALE REVENUE SOURCES

**FY 2002/2003 BUDGET
Total: \$218,390,431**



SUNNYVALE EXPENDITURES

**FY 2002/2003 BUDGET
Total: \$218,390,431**

